
A BILL FOR AN ACT

RELATING TO CHILD SUPPORT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 571-52.2, Hawaii Revised Statutes, is
2 amended by amending subsection (g) to read as follows:

3 "(g) It shall be unlawful for any employer to fail to
4 comply with the requirements of this section. In addition, an
5 employer who fails to comply with an order of assignment of
6 future income, as provided for under this section, shall be
7 liable to the obligee or the obligee's assignee for whom support
8 was required to be paid, for the full amount of all sums ordered
9 to be withheld and transmitted and not otherwise done so[-], and
10 may be subject to a fine not to exceed \$1,000 as determined by
11 the court."

12 SECTION 2. Section 576D-5, Hawaii Revised Statutes, is
13 amended by amending subsection (b) to read as follows:

14 "(b) In the case of an individual who has never received
15 public assistance for the support of a child under Title IV-A
16 and for whom the State has collected not less than [~~\$500~~] \$550
17 of support, the agency shall impose an annual fee of [~~\$25~~] \$35



1 for each case in which Title IV-D services were furnished, which
2 shall be retained in accordance with Title IV-D requirements;
3 provided that the [~~\$25~~] \$35 shall not be retained from the first
4 [~~\$500~~] \$550 so collected. Any fee collected shall be maintained
5 by the agency and used as required under Title IV-D."

6 SECTION 3. Section 576E-16, Hawaii Revised Statutes, is
7 amended as follows:

8 1. By amending subsection (c) to read:

9 "(c) Compliance by an employer with the income withholding
10 order issued pursuant to subsection (a) or with the income
11 withholding order or the notice to withhold child support issued
12 pursuant to section 576D-14 shall operate as a discharge of the
13 employer's liability to the responsible parent for that portion
14 of the responsible parent's earnings withheld and transmitted to
15 the agency, regardless of whether [~~or not~~] the employer has
16 withheld the correct amount. For each payment made pursuant to
17 an income withholding order or a notice to withhold child
18 support, the employer may deduct and retain as an administrative
19 fee an additional amount of \$2 from the income owed to the
20 responsible parent. The total amount withheld from the
21 obligor's income, including the administrative fee, may not be



1 in excess of the maximum amounts permitted under section 303(b)
2 of the Consumer Credit Protection Act (15 U.S.C. §1673(b)). Any
3 income withholding order or notice to withhold child support
4 shall have priority as against any garnishment, attachment,
5 execution, or other income withholding order, or any other
6 order, and shall not be subject to the exemptions or
7 restrictions contained in part III of chapter 651 and in
8 chapters 652 and 653. An employer who fails to comply with an
9 income withholding order under this section or with an income
10 withholding order or notice to withhold child support issued
11 pursuant to section 576D-14 shall be liable to the obligee or
12 the agency for the full amount of all sums ordered to be
13 withheld and transmitted. In addition, an employer violating
14 this subsection may be subject to a fine not to exceed \$1,000 as
15 determined by the court. An employer receiving an income
16 withholding order or a notice to withhold child support shall
17 transmit amounts withheld to the agency within five working days
18 after the responsible parent is paid. The employer shall begin
19 withholding no later than the first pay period commencing within
20 seven business days following the date a copy of the order or
21 the notice to withhold child support is mailed to the employer.



1 As used in this subsection, the term "business day" means a
2 day on which the employer's office is open for regular business.
3 The employer shall withhold funds as directed in the order or
4 the notice to withhold child support, except that when an
5 employer receives an income withholding order issued by another
6 state, the employer shall apply the income withholding law of
7 the state of the obligor's principal place of employment in
8 determining:

9 (1) The employer's fee for processing an income
10 withholding order;

11 (2) The maximum amount permitted to be withheld from the
12 obligor's income under section 303(b) of the Consumer
13 Credit Protection Act (15 U.S.C. §1673(b));

14 (3) The time periods within which the employer must
15 implement the income withholding order and forward the
16 child support payment;

17 (4) The priorities for withholding and allocating income
18 withheld for multiple child support obligees; and

19 (5) Any withholding terms or conditions not specified in
20 the order.



1 An employer who complies with an income withholding order
2 or a notice to withhold child support that is regular on its
3 face shall not be subject to civil liability to any person or
4 agency for conduct in compliance with the order.

5 An employer who is required to withhold amounts from the
6 income of more than one employee may remit to the agency a sum
7 total of all such amounts in one check with a listing of the
8 amounts applicable to each employee.

9 Within two working days after receipt of the amounts
10 withheld by the employer, the agency shall disburse the amounts
11 to the obligee for the benefit of the child, except that the
12 agency may delay the distribution of collections toward
13 arrearages until resolution of any timely requested hearing with
14 respect to such arrearages."

15 2. By amending subsection (e) to read:

16 "(e) It shall be unlawful for any employer to refuse to
17 hire a prospective employee, to discharge an employee, or to
18 take any other disciplinary action against an employee, based in
19 whole or in part upon an order or notice to withhold child
20 support authorized by this section. Any employer [violating
21 ~~this section shall be guilty of a misdemeanor and shall be~~



1 ~~punished under section 710-1077(1)(g).]~~ who fails to comply with
2 this subsection may be subject to a fine not to exceed \$1,000 as
3 determined by the court."

4 SECTION 4. This Act does not affect rights and duties that
5 matured, penalties that were incurred, and proceedings that were
6 begun before its effective date.

7 SECTION 5. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 6. This Act shall take effect upon its approval.

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Report Title:

Child Support; Income Withholding; Employer; Fines; Child
Support Enforcement Agency Fee; Annual Fee

Description:

Amends the income withholding requirements to impose a fine against any employer who (1) discharges from employment, refuses to employ, or takes disciplinary action against any noncustodial parent subject to income withholding, or (2) fails to withhold support from income or pay the amounts to the Child Support Enforcement Agency. Amends the amount of the annual fee imposed by the Child Support Enforcement Agency to be in compliance with federal regulations. (SD1)

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